GOVERNMENT OF INDIA
AGRICULTURE AND FARMERS WELFARE
LOK SABHA

UNSTARRED QUESTION NO:1584
ANSWERED ON:26.07.2016
National Crop Insurance Scheme
Muddahanumegowda Shri S.P.

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

(a) whether it is a fact that the Government is contemplating on fast-tracking of the National Crop Insurance Scheme in the light of recent agricultural crisis in the country, if so, the details thereof; and

(b) the incentives being proposed by the Government to the farming community to cope with the crisis?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

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(a) & (b): Yes, Madam. To provide financial support to farmers suffering crop loss/damage arising out of unforeseen events, a new scheme namely, Pradhan Mantri Fasal Bima Yojana (PMFBY) has been approved for implementation in all States and Union Territories from Kharif 2016 season in place of National Agricultural Insurance Scheme (NAIS) and Modified National Agricultural Insurance Scheme (MNAIS). PMFBY is a marked improvement over the earlier schemes on several counts and comprehensive risk coverage from pre-sowing to post-harvest losses has been provided under it. Unit area of insurance has been reduced to village/village panchayat level for major crops where claims will be settled on unit area basis. However, for localized risks like hailstorm, landslide and inundation, claims will be settled on individual farm basis. The premium payable by farmers has been substantially reduced and simplified and there is One premium rate on pan-India basis for farmers which would be maximum 1.5%, 2% and 5% for all Rabi, Kharif and annual horticultural/commercial crops, respectively. Other improved features of the scheme are − no capping on premium with no deduction in sum insured; provision for coverage of the risk of post harvest losses due to cyclonic & unseasonal rains will be applicable on pan-India level, allocation of districts/areas on cluster/group basis and for longer period to insurance companies, for more effective implementation, time bound seasonality alongwith calculation of claims & payment to farmers, as well as use of remote sensing technology & use of smartphone for getting images of Crop Cutting Experiments etc. for early settlement of claims have also been introduced.

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